G. R. S. 58
Previous references.

File No. 115 of 07

1907-8

Serial Nos. 1—4

(Sep: Rev)

Later references.

3. June 08 S 586. S.R. 1150)

(29)

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1—4

Part B. for March, 1908

SUBJECT.

Counterpart Agreements of Abkari Licenses

---

1) From the Excise Commissioner No. 3467 & 11.11.07. (D. 1639).

Recommends for reasons stated the elimination of the portion of the agreement relating to the specification of properties and the execution of the Counterpart agreements printed on separately impressed stamp paper of 8 annas quite independent of the licenses.

GPB.-8,000—7-4-07

2) To the Excise Commissioner No. 7E. 2644 & 31.12.07.

agreements that are executed before the
of licenses are duly stamped and registered
according to the Stamp and Registration
Regulations.

From the Excise Commissioner's No. A. 3708/
with reference to the above, state that
the counterpart agreements are duly stamped
and registered on some of the files while in other
they are not.

To the Excise Commissioner,
" " Comptroller & Genl;
" Dy Comrs of Districts;
" Supts of Stamps;
" Supts of Excise Press;
" The Commissioner of Stamps.

No. H. 1, 486 — 98 & Y. 3. 00

Approves of the Excise Commissioner's
proposals in letter marked

G.R.S. 11] 190 7

GENERAL AND REVENUE SECRETARIAT.

(804)

NOTES.

File No. 115-C

FILE HEADING.

Counterpart agreements of Abkari licences

From

The Excise Comr

No. 3667 Dated 4/11/07 Received 14/11/07

Diary No. 1639 Enclos. Spare Copies. Serial No. 1

BRIEF ABSTRACT OF LETTER.

Recommends for reasons stated the elimination of the portion of the agreement relating to the specification of properties & the execution of the Counterpart agreements printed on stamped paper of annas quite independent of the lease

NOTES AND ORDERS.

The provision in the Counterpart agreement & also in the body of the note bind the also the purchasers of arrack shops for the due fulfilme

NOTES—First sheet.

GPB—30,000—20-3-06.

G. R. S. 12]
General and Revenue Secretariat.

File No. 115 of 190

Serial No.

by dint of the terms of his agreement (license) was inserted at the recommendation of the Excise Comr's framed with the object of preventing the licensee from alienating his property in any manner subsequent to the commencement of the lease or the date of his agreement if prior. (Vide Ex-Comr's letter no 4641-203. dt 12/2/00)

P.
Dimt. 4/99.

In the letter under reference the Excise Comr explains that this object is not served.

Apart from other defects explained by the Excise Comr's the retention of the power in question will serve as a source of threat to the licensee to desist alienating the property specified as many of the licensees are illiterate. This will also give an opportunity to the local officers to find out the solvency of the licensees tho. too late. It does not preclude the local officers ie. auctioneers

NOTE—Contn sheet.

GPB—50,000—17-3-07

G. R. S. 12]
General and Revenue Secretariat.

File No. 115 of 190

Serial No.

are to be executed by the licensees—

(1) According to the Notification of 1900, persons to whom the excise privileges are knocked down shall within a certain period take out licenses and execute agreements in the prescribed forms, binding themselves, their movable and immovable property for the due fulfillment of them of the terms of their agreement ...

(2) In the Sale Notification now in force (and referred to by the Excise Comm.) the purchaser shall execute an agreement binding himself & his property as above to observe the conditions hereinafter set forth as well as those specified in the license to be issued to him and his surety, if any, shall also execute an agreement.

(3) As soon as the agreements and bonds have been executed the Dy Comm. will issue a license in the prescribed form A, which provides for a counterpart-agreement to be executed after the license is issued.

So then the present rules speak of 2 agreements, one executed by the purchaser before the Dy Comm. issues a license, and another, which is the counterpart of the lease & merely notices also the properties tendered as security in the original agreement executed by the purchasers—

NOTE—Contin sheet.

GPB—50 000—17-3-07

R. S. 12]
General and Revenue Secretariat.

Sykr File No. 115 of 1907

Serial No.

and registered in accordance with the provisions of the Stamp and Registration Regulations.

KT
30-11-07

Draft Enquiry submitted.

KS
30.11.

5-15 pm 30/11

MK 2/12

Please fill up the nos: of the para in the draft and issue quick

KT
2.12.07

2 To the Excise Commr in Mysore.
No. 7L 2 bcc & 3.12.07.
Enquires whether in accordance with sale notification, the agreements that are executed before the issue of licenses are duly stamped and registered according to the Stamp & the Registration Regulations.

3. From the Excise Commissioner. No. 45-10 & 13 12/07.
With reference to serial 2, states that the counterpart agreements are duly stamped and registered in some districts while in others it they are not.
From the Excise Commr's report under reference it is clear that the procedure is not uniform in all the districts and that 2 agreements are not necessarily to be

NOTE—Contn. sheet.

GPB—50,000—17-3-07

G. R. S. 12]
General and Revenue Secretariat.

File No. 115 of 1907

Serial No.

desirable that due enquiries regarding the solvency of Contractors shd be made before the Sale is confirmed and licenses are issued in their favour. [A sad instance of dereliction of duty in this connection is to be found in a recent case of Nanjappa of Malatpa and Bammanhatta submitted for orders a few days ago.] -

But it is doubtful whether ~~this~~ with the provisions contained in clause 8 of the Sale Rules, ~~should~~ enforced and proper agreements obtained thereunder a counterpart agreement is also necessary. If the continuance of such ~~an~~ letter agreement is considered desirable the Excise Comm^r proposals made in his first letter under disposal may be approved -

Secy).

8.1.08

I think the Ex-comm^r's proposals may be accepted - The counter part agreement is, it seems to me, primarily intended as evidence of the licensee's knowledge of the terms & conditions of the contract so that in case of any breach of the conditions he may not plead any ignorance of ~~the~~ the terms &c. The presence of the terms about ~~the~~ binding the property does not & seem to amount to any mortgage & ~~is~~ not of any legal value.

NOTE- Contn sheet.

GPB-50,00017--3-07

G. R. S. 12]
General and Revenue Secretariat.

File No. 115 of 1907

Serial No.	
10158 8/18-1-08 encl files	Forwarded to the Govt. advocate for favour of opinion — DO. 18 Reserve Engr. Forces. 17.1.08
10 37	If, as laid down in the sale notification, the purchaser or Contractor has (a) deposited two or four months rent, (b) executed a duly Stamped agreement binding himself and his property to observe the Conditions &c, and (c) furnished a Surety who has executed a similar document, the execution of a counterpart agreement is superfluous. It is only in cases in which agreements (b) and (c) are not taken that a Counterpart agreement may be deemed necessary. But this document, if not duly Stamped and registered, will be ineffectual in respect of any immovable property that may be intended to be secured thereby.
18 22/1/08	A. Mayandi Rau 20.1.08. Govt Advr:

NOTE—Contin. sheet

Submitted (orig). 18 22.1.08

GPB—50,000—25.2-07

No. 3467 Confdl 614

S.R. 1639-1-7-07

OFFICE OF THE EXCISE COMMISSIONER IN MYSORE.

DATED BANGALORE, 11th November 190

From

H.H.Sparkes Esquire,

Excise Commissioner in Mysore.

To

C.S.Balasundram Iyer Esquire, B.A.,
Secretary to the Govt. of H.H.
the Maharaja of Mysore,
General & Revenue Departments.

Sir,

I have the honor to state that there is at present very great delay in the issue of licenses to Contractors. One of the reasons urged against the expeditious issue of the necessary licenses is the time taken for the execution of the counter-part Agreements by the licensees. The delay in the latter case is attributed to the requirement in the counterpart agreement that the properties of the contractor should be specified in the margin. Much time is no doubt taken up in ascertaining the details of the properties of the contractor especially when he happens to be a resident of and owner of properties situated in a Taluk other than that in which he purchases the shops.

2. The particular clause in the counterpart agreement runs as follows:-

" and bind myself and my property specified in
" the margin hereof for the due fulfilment of
" the terms of the contract".

The existence of such a clause in the Agreement serves no purpose as this document bears a stamp of half a rupee only and does not create any prior right over the properties so mentioned in the margin. If it is intended to create

create a right of preference over such properties and prevent the contractors from an attemp at cheating Government by subsequent encumbrances the present counterpart Agreement does not fulfil the object. For such a purpose the provisions of the Registration and Stamp Regulations have to be complied with as regards the form of the document and the Stamp fees. Besides a counterpart Agreement is essentially an agreement to conform to the tenor and conditions of the license and is not intended to create any right over the properties of the licensees. The last words of the clause are - " for the due fulfilment of the terms of the contract", that is, for the observance of the conditions of the license and for the regular payment of the rental but not to hypothecate or mortgage the properties as security for the total amount payable under the contract. Hence this is not the document in which a place should be found for the clause in question. While its existence only - gives a ready plea for the inordinate delay in the issue of the licenses its absence will not in the least deteriorate the intrinsic value of the counterpart agreement. I need not say that the mere mention of the properties in the margin of the counterpart agreement does not prevent their being encumbered by a subsequent registered document. All that is available for Government is the right title and interest left of the owner in the properties after - satisfying prior encumbrances. This position of the Government is not in the least altered by the non-existence in the agreement of the clause in question. Besides the clause itself is indefinite in so far as it does not specify the properties of how much value should be mentioned.

3. It may be said that the presence of the clause serves useful purpose in as much as the Amildar or other officer before whom the counterpart agreement is executed will be put to the necessity of enquiring the properties owned by the licensee and thus indirectly knowing about the solvency or otherwise of the person. Even here the object is frustrated for the enquiry is made too late that is after the sale confirmation notice is served and

5

improvement should be made at the same time. As in the Madras Presidency the counterpart agreements should be usually printed on impressed stamp papers of the value of half a rupee with blanks for the names of individuals and places. At present no doubt the stamp duty of half a rupee is in most cases collected and remitted to the Treasury. But the necessary certificate of adjudication is invariably wanting. All that is found on the counterpart agreement is something as follows under the signature of the Taluk Sheristadar or Nagadi Gumasta:- " The stamp duty of eight annas has been credited to the Treasury under C No.5 dated 29th September 1907". Such an endorsement does not legalize the document under the stamp Regulation. The proposed impressed stamp paper will remove this defect besides facilitating the speedy execution of the counterpart agreements and the issue of licenses.

9. For the nesessary stamp papers the indents will be sent to the Superintendent of Stamps and the engagements will be printed in the Government Press. Deputy Commissioners will be requested to see that no more than the actual numbers of the forms required are indented for. Should there be any unexpended balance at the end of the year the same can be utilized in the following year.

10. I solicit early orders of Government to the above proposals.

I have the honor to be,

Sir,

Your most obedient servant

H H Sparke

Excise Commissioner

in Mysore.

G.R.S. 26]

Inds 158

SR. File No. 115/07

Serial No. 2

Diary No. of letter replied to 1639

No. H 26444

8/3-12-07

General and Revenue Secretariat
(S. R.)
, *the* 190 .

To The Excise Commissioner
in Mysore.

Sir,

Date of issue 3 Dec 1907

Signed by W Lynch

With reference to your letter No 3467 dated the 11th Novbr 07 recommending, for the reasons stated, the elimination of the portion of the agreement relating to the specification of properties and the execution of the Counterpart agreements printed on impressed stamp paper of annas 8, I am directed to request you to be so good as to state whether the contractors are in accordance with para 5 of the Sale notifications practice of executing 2 agreements with the contractors in the counterpart agreements executed & licences &c

over.

SUBJECT.

Myd Secl. 2/12/07

~~exists at present and whether~~ any
~~the~~ agreements ~~that~~ are
executed before the issue
and if so whether they
of licenses are duly stamped
and registered in accordance
with the provisions of the
Stamp and the Registration
Regulations.

I have etc.

2.12.7
for Secy.

2. A copy of the form of
the agreement referred to
may also be furnished.

for a Secy

K.S
30/11-

List of enclosures.

Copied by

Examined by

MGCPB—30.000—16-2-05

Fl. 2644 SR 115-07-3. 2198 GR 8

No. 4570 Fin. 1

OFFICE OF THE EXCISE COMMISSIONER IN MYSORE.

DATED BANGALORE, 13th December 1907

From

H. H. Sparkes Esquire,

Excise Commissioner in Mysore.

To

C. S. Kalasundaram Iyer Esquire B. A.
Offg. Secretary to the Government of H. H. the
Maharaja of Mysore, Genl. and Rev. Depts.

5

SIR,

With reference to your letter No. Fl. 2644/ S.R 115-07-2 dated 3rd instant calling for additional information in regard to the execution of agreements by Excise Licensees, I have the honor to invite reference to para 4 of my letter No. 3467 dated 12th November 1907. The word " agreement" used in para 5 of the sale Notification may mean either the counterpart agreement or a separate engage-ment. The procedure observed in the several Districts is not uniform. In the Mysore District mention is made in many cases of the properties owned by the licensees in the margin of the counterpart agreement but the deed is neither regis-tered nor a stamp duty of more than eight annas is collect-ed. In the case of persons of doubtful solvency necessary mortgage bonds are being executed on a proper stamp paper and registered. The practice appears to be the same in the Chitaldrug District also. In the remaining Districts of the state no other agreement except the counterpart agreement is executed by any of the renters. The specification of property in the margin of the counterpart agreement is in-sisted on to a greater extent in the Shimoga and Hassan Districts while much attention is not paid to this formali-ty in other Districts. Such agreements are neither registered nor do they bear a stamp duty of more than eight annas. In the Hassan District in the case of those contractors

contractors who are allowed to pay one month's khist and personal security for four months' rent, the surety is required to bind himself and so much of his property as is sufficient to cover four months' khists and separate agreements are taken from the sureties. These agreements bear the proper stamp duty and are registered.

2. I may also mention that in the Madras Presidency as a rule all purchasers will be required to deposit two months rent. But in the case of persons of doubtful solvency, they are required either to deposit twice the ordinary deposit amount or to get a surety or sureties to execute a security bond for the due payment of all moneys that may become due by him under the terms of the contract. The bond is stamped and registered if the amount secured exceeds Rs. 1000/-. It will thus be observed that there is no provision calling upon the licensee to mortgage or mention in the margin of the counterpart agree-ment any property owned by him.

3. I am of opinion that the general principle of deposit and the execution of engagements should be as in Madras where the system is found to serve all practical purposes and no arrears have accumulated. But if it is thought otherwise, I have again to reiterate that the counterpart agreement is not the document where a specification of the properties is to be made. Para 5 of the sale Notification may be so changed as to make it free from ambiguity and the Deputy Commissioner who is the revenue collecting authority, may be given the discre-tion whether or not to compel the renter to execute a mortgage deed. As I represented in my previous letter the conditions of the sale Notification need revision which will be made.

4. No form of the agreement except that of the counterpart agreement and the surety bond is prescribed and a copy of the latter is enclosed for reference. I again beg reference to the several reasons urged in my letter and to state that while the existence of the clause in question serves no purpose consider

considered from any point of view, its absence will not in any way lessen the intrinsic value of the counterpart agreement but will fecilitate the speedy and timely issue of the licenses, which is sadly wanting now.

I have the honor to be,

Sir,

Your most obedient Servant,

H H Sparke

Excise Commissioner, in Mysore.

Bgk

ಜಾಮೀನ್ ಮುಚ್ಚಲಿಕೆ.

ಓ

———:-0-:———

ಸ್ 189 ನೇ ಇಸವಿ_____ಮಾಹೆ ತಾರೀಖು_____ರಲ್ಲು_____ನಾನು
ೃಸೂರು ಸರ್ಕಾರಕ್ಕೆ ಬರದುಕೊಟ್ಟ ಜಾಮೀನ್ ಮುಚ್ಚಲಿಕೆ ಏನಂದರೆ:—
_____ತಾಲ್ಲೂಕು_____ಶೇಂದಿ ಅಂಗಡಿಗಳ ಬಾಬತ್ತು
ತ್ತಿಗೆಯನ್ನು 1898-99ನೇ ವರ್ಷಕ್ಕೆ_____ರು ಮುದತೆರಿಗೆ ನಿಬಂಧನೆಗಳಿಗೆ ಒಳಪಟ್ಟು
ರ್ಷಕ್ಕೆ_____ರೂಪಾಯಿಗಳನ್ನು ಸರ್ಕಾರಕ್ಕೆ ಕೊಡುವದಕ್ಕೆ ಒಪ್ಪಿ ಮಾಡಿಕೊಂಡು ಆ
ಗ್ಯೆ ಒಂದು ತಿಂಗಳು ಗುತ್ತಿಗೆ ಹಣವನ್ನು ಠೇವಣಿ ಕಟ್ಟಿರುವದರಿಂದ ಬಾಕಿ ರೂಲ್ಸ್ ಪ್ರಕಾರ ನಾಲ್ಕು ತಿಂಗ
ಗುತ್ತಿಗೆ ಹಣಕ್ಕೆ ತಕ್ಕ ಜಾಮೀನನ್ನು ಅವರು ಕೊಡಬೇಕಾಗಿರುವ ಪ್ರಯುಕ್ತ ನಾನು ಆರೀತಿ ಜಾ
ರ್ ಆಗುವದಕ್ಕೆ ಒಪ್ಪಿದ್ದೇನೆ; ಅಂದರೆ ನಾಲ್ಕು ತಿಂಗಳು ಗುತ್ತಿಗೆ ಹಣ_____
ಕ್ಷರದಲ್ಲೂ_____ರೂಪಾಯಿಗಳಿಗೆ ನಾನು ನನ್ನ ಬಾಬತ್ತು ವಿಶಿಷ್ಟ ಸ್ಥಿತಿಗಳು ಸಹಿತ
ಗಿ ಜಾಮೀನ್ ಆಗಿರುತ್ತೇನೆ. ಈ ಬಗ್ಯೆ ನನ್ನ ಪಾರಸ್ದಾರರು ಸಹ ಬದ್ಧರಾಗಿರುವರೆಂದು ನನ್ನ ಖುದ್ದು
ಜಿಯಿಂದ ಬರಮುಕೊಟ್ಟ ಜಾಮೀನ್ ಮುಚ್ಚಲಿಕೆ ಸಹಿ:—

ರುಜು_____

ಸಾಕ್ಷಿಗಳು.

1.

2.

V. B. Soobbiah & Sons, M. B. D. Printing Works, Bangalore,—1899.

G.R.S. 28]

File No. 1150/07
Serial No. 4

Diary No. of letter replied to 2198

Proceedings of the Government of His Highness the Maharaja of Mysore.

No H6486-98
S&RMS-074
27-3-08

GENERAL AND REVENUE SECRETARIAT.

, *the* 190

Date of issue

Signed by

READ— The Correspondence ending with letter No. 45 dt 13/12/07 from the Excise Comr. in Mysore inviting the Commissioners' agreements executed by the abkari licensees

Rs 143 sent in original
Whereas with the proceedings in proof.
Proceedings sent in proof.

ORDER THEREON.—No. (To be issued in the form now printed in the ~~license~~ forms of licenses)

The Excise Comr. made in the letter read above forwards are approved accepted. The Commissioners' agreements is summarily intended as evidence of the licensee's

Proceedings sent

over

SUBJECT

GPB—10,000—10-4-06

knowledge of the terms
& Conditions of the Contract
so that in case of any
breach of the Conditions
he may not plead any
ignorance of the terms &c.
The existence of the terms
about binding the
property in the Quinte Point agreement
account to any
mortgage and is not
of any legal value.
Where a collateral
security is necessary
a properly executed
document should be
obtained as indeed
appears to be the practice
in certain Districts.
The Conditional
agreement may also
be separately printed
on blank paper to
facilitate execution
and —

Proceedings of the Government of His Highness the Maharaja of Mysore.

READ—

The following correspondence :—

1. Letter No. 3467, dated the 11th November 1907, from the Excise Commissioner in Mysore.

I have the honor to state that there is at present very great delay in the issue of licenses to contractors. One of the reasons urged against the expeditious issue of the necessary licenses is the time taken for the execution of the counterpart agreements by the licensees. The delay in the latter case is attributed to the requirement in the counterpart agreement that the properties of the contractor should be specified in the margin. Much time is no doubt taken up in ascertaining the details of the properties of the contractor especially when he happens to be a resident of and owner of properties situated in a taluk other than that in which he purchases the shops.

(2) The particular clause in the counterpart agreement runs as follows :—

"and bind myself and my property specified in the margin hereof for the due fulfilment of the terms of the contract."

The existence of such a clause in the agreement serves no purpose as this document bears a stamp of half-a-rupee only and does not create any prior right over the properties so mentioned in the margin. If it is intended to create a right of preference over such properties and prevent the contractors from an attempt at cheating Government by subsequent encumbrances, the present counterpart agreement does not fulfill the object. For such a purpose the provisions of the Registration and Stamp Regulations have to be complied with as regards the form of the document and the Stamp fees. Besides a counterpart agreement is essentially an agreement to conform to the tenor and conditions of the license and is not intended to create any right over the properties of the licensees. The last words of the clause are "for the due fulfilment of the terms of the contract," that is, for the observance of the conditions of the license and for the regular payment of the rental but not to hypothecate or mortgage the properties as security for the total amount payable under the contract. Hence this is not the document in which a place should be found for the clause in question. While its existence only gives a ready plea for the inordinate delay in the issue of the licenses, its absence will not in the least deteriorate the intrinsic value of the counterpart agreement. I need not say that the mere mention of the properties in the margin of the counterpart agreement does not prevent their being encumbered by a subsequent registered document. All that is available for Government is the right title and interest left of the owner in the properties after satisfying prior encumbrances. This position of the Government is not in the least altered by the non-existence in the agreement of the clause in question. Besides the clause itself is indefinite in so far as it does not specify the properties of how much value should be mentioned.

(3) It may be said that the presence of the clause serves a useful purpose inasmuch as the Amildar or other officer before whom the counterpart agreement is executed will be put to the necessity of enquiring the properties owned by the licensee and thus indirectly knowing about the solvency or otherwise of the person. Even here the object is frustrated, for the enquiry is made too late, that is, after the sale confirmation notice is served and the licensee has actually begun to work the shops. Enquiries as to the character and solvency of the purchasers should be made, if necessary, before the formal confirmation of each sale and not after. Such a provision exists under the present rules, but it is not worked properly and definite instructions will shortly be issued in the matter. If the result of such enquiries is unfavorable, provision also exists to demand a greater amount of deposit or to call upon the licensee to furnish securities.

(4) The general principle of deposit is that ordinarily a deposit of two months' rent will be required of all purchasers, but in the case of foreigners and persons of doubtful solvency double the ordinary deposit or a surety or sureties to execute a security bond for the due payment of all moneys that may become due under the terms of the contract should be taken. The marginally noted condition in the sale notification further protects and safeguards the interests of Government in cases in which such protection and safeguards are deemed necessary by the Deputy Commissioner. The wording of this condition is a little ambiguous as the word "agreement" may mean either the counterpart agreement or any other document. On this and some other defects in the conditions of the present sale notification a separate reference will be made to Government on receipt of orders on my proposal to extend the term of Abkari leases to three years.

The purchaser of the exclusive privilege shall execute an agreement binding himself and, unless exempted by the Deputy Commissioner by an order duly recorded, so much of his movable and immovable property as may be deemed sufficient to observe the conditions hereinafter set forth, as well as those specified in the license to be issued to him; and his surety, if any, has been accepted under the above para shall also execute a bond in the prescribed form binding himself and so much of his movable and immovable property as may be deemed sufficient by the Deputy Commissioner, for the due fulfilment by the purchaser of the terms of his agreement. The agreement and bond so executed shall be stamped at the expense of the purchaser. They shall also be registered at his expense when the amount secured is Rs. 100 and above.

(5) I may also mention that except in the counterpart agreements executed by the Toddy and Arrack shop-keepers the clause in question is not to be found in any of the counterpart agreements to be executed by any of the other licensees. Such a clause is not inserted in any of the counterpart agreements to be executed by any of the renters in the Madras Presidency. Even in the State, the clause has been reduced to a dead letter in some of the districts where no mention of properties is made in the margin of the counterpart agreement.

(6) In these circumstances I submit that the clause requiring the specification of properties in the margin may be omitted from the form of the prescribed counterpart agreement. It is also desirable that the words "licensed by the Deputy Commissioner" should be changed to "authorized by the Deputy Commissioner."

(7) Another point in the same connection is the printing of the counterpart agreement along with the license itself. The preparation and signing of licenses necessitate their passing from one office to another a number of times. Each time a license is transmitted the counterpart agreement also goes

along with it. The consequence is that when the parties appear before the Amildar for the execution of the counterpart agreements the latter may not be with the officer and when the counterpart agreements are with the Amildar the parties may not appear. This is a another cause for the delay in the execution of counterpart agreements and consequently in the delivery of licenses. Besides at present the counterpart agreements are not preserved so carefully as they ought to be for the reason that they go along with the licenses. It is, therefore, desirable that the counterpart agreements should be separated from the licenses as is the case in the Madras Presidency and elsewhere.

(8) In effecting this separation another improvement should be made at the same time. As in the Madras Presidency the counterpart agreements should be usually printed on impressed stamp papers of the value of half-a-rupee with blanks for the names of individuals and places. At present no doubt the stamp duty of half-a-rupee is in most cases collected and remitted to the Treasury. But the necessary certificate of adjudication is invariably wanting. All that is found on the counterpart agreement is something as follows under the signature of the Taluk Sheristadar or Nagadi Gumasta: -"The stamp duty of eight annas has been credited to the Treasury under C. No. 5, dated 29th September 1907." Such an endorsement does not legalize the document under the Stamp Regulation. The proposed impressed stamp paper will remove this defect besides facilitating the speedy execution of the counterpart agreements and the issue of licenses.

(9) For the necessary stamp papers the indents will be sent to the Superintendent of Stamps and the engagements will be printed in the Government Press. Deputy Commissioners will be requested to see that no more than the actual numbers of the forms required are indented for. Should there be any unexpended balance at the end of the year, the same can be utilized in the following year.

(10) I solicit early orders of Government to the above proposals.

2. Letter No. Fl. 2644, dated 3rd December 1907, to the Excise Commissioner in Mysore.

With reference to your letter No. 3467, dated the 11th November 1907, recommending, for reasons stated, the elimination of the portion relating to the specification of properties in the counterpart agreements executed by licensees, etc., I am directed to request you to be so good as to state whether in accordance with para 5 of the sale notification, any agreements are executed before the issue of licenses and if so whether they are duly stamped and registered in accordance with the provisions of the Stamp and the Registration Regulations.

(2) A copy of the form of the agreement referred to may also be furnished at a very early date.

3. Letter No. 4510, dated the 13th December 1907, from the Excise Commissioner in Mysore.

With reference to your letter No. Fl. 2644—S. R. 115-07-2, dated 3rd instant, calling for additional information in regard to the execution of agreements by Excise licensees, I have the honor to invite reference to para 4 of my letter No. 3467, dated 12th November 1907. The word "agreement" used in para 5 of the sale notification may mean, either the counterpart agreement or a separate engagement. The procedure observed in the several districts is not uniform. In the Mysore District mention is made in many cases of the properties owned by the licensees in the margin of the counterpart agreement but the deed is neither registered nor a stamp duty of more than eight annas is collected. In the case of persons of doubtful solvency necessary mortgage bonds are being executed on a proper stamp paper and registered. The practice appears to be the same in the Chitaldrug District also. In the remaining districts of the State no other agreement except the counterpart agreement is executed by any of the renters. The specification of property in the margin of the counterpart agreement is insisted on to a greater extent in the Shimoga and Hassan Districts, while much attention is not paid to this formality in other Districts. Such agreements are neither registered nor do they bear a stamp duty of more than eight annas. In the Hassan District, in the case of those contractors who are allowed to pay one month's khist and personal security for four months' rent, the surety is required to bind himself and so much of his property as is sufficient to cover four months' khists and separate agreements are taken from the sureties. These agreements bear the proper stamp duty and are registered.

(2) I may also mention that in the Madras Presidency, as a rule, all purchasers will be required to deposit two months' rent. But in the case of persons of doubtful solvency, they are required either to deposit twice the ordinary deposit amount or to get a surety or sureties to execute a security bond for the due payment of all moneys that may become due by him under the terms of the contract. The bond is stamped and registered if the amount secured exceeds Rs. 1,000. It will thus be observed that there is no provision calling upon the licensee to mortgage or mention in the margin of the counterpart agreement any property owned by him.

(3) I am of opinion that the general principle of deposit and the execution of engagements should be as in Madras where the system is found to serve all practical purposes and no arrears have accumulated. But if it is thought otherwise, I have again to reiterate that the counterpart agreement is not the document where a specification of the properties is to be made. Para 5 of the sale notification may be so changed as to make it free from ambiguity and the Deputy Commissioner who is the revenue collecting authority, may be given the discretion whether or not to compel the renter to execute a mortgage deed. As I represented in my previous letter the conditions of the sale notification need revision which will be made.

(4) No form of the agreement except that of the counterpart agreement and the surety bond is prescribed and a copy of the latter is enclosed for reference. I again beg reference to the several reasons urged in my letter and to state that while the existence of the clause in question serves no purpose considered from any point of view, its absence will not in any way lessen the intrinsic value of the counterpart agreement but will facilitate the speedy and timely issue of the licenses, which is sadly wanting now.

1907-08

GOVERNMENT OF HIS HIGHNESS
THE MAHARAJA OF MYSORE

FINANCIAL
(SEPARATE REVENUE)

PROCEEDINGS

Dated 7th March 1908

No. Fl. 4486-98
S. R. 115-07-4

Approving of the Excise Commissioner's proposals regarding the elimination of the clause requiring the specification of properties in the counterpart agreement executed by the abkari licensees and the printing of the counterpart agreements on separate impressed stamp paper of the value of half a rupee.

GPB—10-3-08—200